

ELLIOTT & ELLIOTT, P.A.

ATTORNEY AT LAW

1508 Lady Street  
COLUMBIA, SOUTH CAROLINA 29201  
[selliott@elliottlaw.us](mailto:selliott@elliottlaw.us)

SCOTT ELLIOTT

TELEPHONE (803) 771-0555  
FACSIMILE (803) 771-8010

April 29, 2021

**VIA ELECTRONIC FILING**

Ms. Jocelyn Boyd  
Chief Clerk and Administrator  
South Carolina Public Service Commission  
Synergy Business Park, The Saluda Building  
101 Executive Center Drive  
Columbia, SC 29210

Re: Petition of United Telephone Company of the Carolinas d/b/a CenturyLink  
to Maintain Books and Records Pursuant to Generally Accepted Accounting  
Principles Docket No. 2021-\_\_\_\_-C

Dear Ms. Boyd:

Please find attached for filing a Petition on behalf of United Telephone Company of the Carolinas d/b/a CenturyLink ("CenturyLink") in the above-referenced matter. By copy of this correspondence, I am also notifying the Office of Regulatory Staff and SC Department of Consumer Affairs.

If you have any questions or need further information, please do not hesitate to contact me.

Sincerely,

ELLIOTT & ELLIOTT, P.A.

  
Scott Elliott

SE/lbk  
Enclosures

cc: Jeffrey M. Nelson, Esquire (w/encl.)  
Carri Grube - Lybarker, Esquire

**STATE OF SOUTH CAROLINA**  
**BEFORE THE PUBLIC SERVICE COMMISSION**  
**DOCKET NO. 2021-\_\_\_\_-C**

Petition of	)	
United Telephone Company of the Carolinas d/b/a CenturyLink	)	PETITION
To Maintain Books and Records Pursuant to	)	
Generally Accepted Accounting Principles	)	

Petitioner United Telephone Company of the Carolinas d/b/a CenturyLink ("CenturyLink" or "Petitioner"), by its undersigned attorneys, hereby petitions the South Carolina Public Service Commission ("Commission") pursuant to S.C. Code Ann. Rule 103-601.3 to the extent necessary to enable CenturyLink to maintain its books and records in accordance with generally accepted accounting principles ("GAAP") rather than pursuant to 47 C.F.R. Part 32, the Uniform System of Accounts ("USOA"). In support of its Petition, CenturyLink shows the Commission the following:

1. CenturyLink currently maintains its books and records in conformance with USOA.
2. In 2017, recognizing that the USOA placed a significant burden on regulated companies, the Federal Communications Commission ("FCC") issued an order allowing price cap carriers like CenturyLink and its affiliates to use GAAP instead of the USOA for all regulatory accounting purposes other than pole attachment-related reporting requirements.<sup>1</sup>

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<sup>1</sup> *Comprehensive Review of the Part 32 Uniform System of Accounts, Jurisdictional Separations and Referral to the Federal-State Joint Board*, CC Docket No. 80-286, Report and Order, 32 FCC Rcd 1735 (2) (2017).

3. To realize efficiencies and simplify its business, the Petitioner desires to change its method of accounting from the USOA to GAAP for all filings and reports submitted to the Office of Regulatory Staff ("ORS") and the Commission beginning in the third quarter of 2021.

4. To ensure that a change in CenturyLink's accounting system from the USOA to GAAP will not affect the Petitioner's regulatory reporting and assessments, backup information related to those reports will remain available for inspection by ORS were CenturyLink to transition to GAAP. The Petitioner has entered a Memorandum of Understanding with the ORS to that effect, attached as Exhibit A.

5. The Commission routinely allows competitive local exchange carriers ("CLECs") operating in the State to maintain their books and records in accordance with GAAP.

6. Because the Commission will continue to have a reliable method by which to evaluate CenturyLink's operations should it transition to GAAP and transitioning to GAAP helps the Petitioner achieve competitive parity with other certificated carriers operating in the State, CenturyLink respectfully submits that the grant of such a waiver is not contrary to the public interest.

7. That in accordance with Rule R. 103-804 (T) of the Commission's Rules of Practice and Procedure, Petitioner is represented by counsel in this proceeding:

Scott Elliott, Esquire  
Elliott & Elliott, P.A.  
1508 Lady Street  
Columbia, South Carolina 29201  
Telephone: 803-771-0555  
Fax: 803-771-8010  
Email: [selliott@elliottlaw.us](mailto:selliott@elliottlaw.us)

Jeanne Stockman, Esquire  
CenturyLink  
150 Fayetteville Street Mall, Suite 970  
Raleigh, NC 27601  
919-554-7621(T)  
[jeanne.w.stockman@lumen.com](mailto:jeanne.w.stockman@lumen.com)

WHEREAS CenturyLink respectfully requests that the Commission grant this Petition and  
all other relief that is just and proper.

Respectfully submitted,



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Scott Elliott  
Elliott & Elliott, P.A.  
1508 Lady Street  
Columbia, SC 29201  
803-771-0555 (T)  
[selliott@elliottlaw.us](mailto:selliott@elliottlaw.us)

Columbia, South Carolina  
April 29, 2021

## Exhibit A

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**MEMORANDUM OF UNDERSTANDING BETWEEN  
UNITED TELEPHONE COMPANY OF THE CAROLINAS LLC  
D/B/A CENTURYLINK AND  
THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF**

United Telephone Company of the Carolinas LLC d/b/a CenturyLink ("CenturyLink" or "the Company") and the South Carolina Office of Regulatory Staff ("ORS"), collectively referred to as the "Parties," have entered into this Memorandum of Understanding ("MOU") concerning CenturyLink's desire to maintain its books and records in accordance with generally accepted accounting principles ("GAAP").

WHEREAS, CenturyLink currently maintains its books and records in conformance with 47 C.F.R. Part 32, Uniform System of Accounts ("USOA");

WHEREAS, in 2017, recognizing that the USOA placed a significant burden on regulated companies, the Federal Communications Commission ("FCC") issued an order allowing price cap carriers like CenturyLink and its affiliates to use GAAP, instead of the USOA, for all regulatory accounting purposes other than pole attachment-related reporting requirements;<sup>1</sup>

WHEREAS, to realize efficiencies and simplify its business, the Company desires to change its method of accounting from the USOA to GAAP for all filings and reports submitted to ORS and the South Carolina Public Service Commission ("Commission"); and

WHEREAS, ORS desires to ensure that a change in the Company's accounting system from the USOA to GAAP will not affect the Company's regulatory reporting and assessments, and that backup information related to those reports will remain available for inspection by ORS were the Company to transition to GAAP.

To enable the Company to maintain its books and records in accordance with GAAP, ORS and the Company agree to the following terms and conditions.

### A. Terms

The Parties agree to the following:

1. For any reports or filings submitted to ORS or to the Commission in the calendar month after this MOU is signed and thereafter, the Company shall be authorized to utilize GAAP instead of the USOA.

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<sup>1</sup> *Comprehensive Review of the Part 32 Uniform System of Accounts, Jurisdictional Separations and Referral to the Federal-State Joint Board*, CC Docket No. 80-286, Report and Order, 32 FCC Rcd 1735 (2) (2017).

2. The Company shall continue to make all required filings and reports notwithstanding this change in accounting system. Consistent with current rules, all financial information used to generate those reports will remain available for inspection and audit by ORS and the change from the USOA to GAAP will not affect the availability of that information nor the Company's ability to submit required reports and filings.
3. The Company does not anticipate that the change from the USOA to GAAP will have a material impact on its regulatory assessments.

**B. Changes to the MOU**

Changes to this MOU will be made only by written approval of both Parties and will become effective upon the signatures of the representatives of both Parties.

**C. Duration of the MOU**

This MOU will remain in effect unless amended by mutual agreement of the Parties.

**D. Choice of Law**

This MOU shall be interpreted according to South Carolina law.

**E. Authorized Representatives**

Each Party acknowledges its consent and agreement to this MOU by authorizing its counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the MOU. Facsimile signatures and e-mail signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the various signature pages combined with the body of the document constituting an original and provable copy of this MOU.

IN WITNESS WHEREOF, this Memorandum of Understanding has been executed on the date set forth below.

UNITED TELEPHONE COMPANY  
OF THE CAROLINAS LLC D/B/A  
CENTURYLINK

By:  \_\_\_\_\_

DATE: 4/29/21

SOUTH CAROLINA OFFICE OF  
REGULATORY STAFF

By:  \_\_\_\_\_

DATE: 04/28/21

## CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P. A. does hereby certify that (s)he has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them via Electronic Mail on the date indicate below:

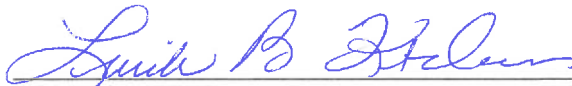
RE: Petition of United Telephone Company of the Carolinas d/b/a  
CenturyLink to Maintain Books and Records Pursuant to Generally  
Accepted Accounting Principles

DOCKET NO.: 2021-\_\_\_\_-C

PARTIES SERVED: **Via Electronic Mail**  
Jeffrey M. Nelson, Esquire  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201  
[jnelson@ors.sc.gov](mailto:jnelson@ors.sc.gov)  
  
Carri Grube - Lybarker, Esquire  
Roger P. Hall, Esquire  
SC Department of Consumer Affairs  
P.O. Box 5757  
Columbia, SC 29250  
[clybarker@scconsumer.gov](mailto:clybarker@scconsumer.gov)  
[rhall@scconsumer.gov](mailto:rhall@scconsumer.gov)

PLEADING: PETITION

This 29th day of April 2021.

  
Linda B. Kitchens, Paralegal  
Elliott & Elliott, P.A.  
1508 Lady Street  
Columbia, SC 29201  
(803)771-0555  
[linda@elliottlaw.us](mailto:linda@elliottlaw.us)